

# 2012 Starke County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Starke County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Starke County the average tax bill for all taxpayers decreased by 1.8%. This tax bill drop was mainly the result of a 2.2% decrease in the tax levy of all local government units. Certified net assessed values increased by 2.6%. Starke County net assessed value rose mainly due to a big increase in farmland assessments and an increase in business assessments. Homestead and other residential assessments decreased, which may have been a legacy of the recession. Falling levies and rising assessed values caused tax rates to fall in all Starke County tax districts. Tax cap credits as a percentage of levies decreased slightly, by 0.1% in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	-1.8%	\$16,816,158	\$966,210,035	2.3%
Change		-2.2%	2.6%	-0.1%
2011	-2.0%	\$17,192,870	\$941,462,264	2.5%

## Homestead Property Taxes

Homestead property taxes decreased 6.5% on average in Starke County in 2012. Tax rates in all Starke County tax districts decreased. The county average tax rate fell by 4.7%. The percentage of Starke County homesteads at their tax caps fell from 3.1% to 2.3% in 2012.

### Comparable Homestead Property Tax Changes in Starke County

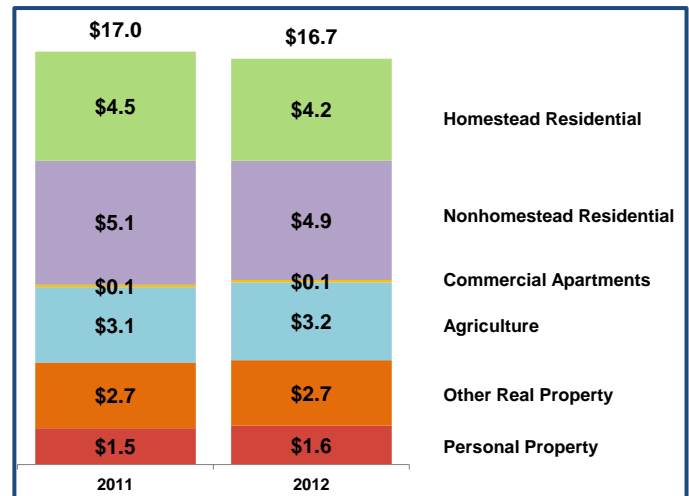
	2011 to 2012	
	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>		
Higher Tax Bill	479	7.0%
No Change	283	4.1%
Lower Tax Bill	6,058	88.8%
<b>Average Change in Tax Bill</b>	<b>-6.5%</b>	
<b>Detailed Change in Tax Bill</b>		
20% or More	176	2.6%
10% to 19%	99	1.5%
1% to 9%	204	3.0%
0%	283	4.1%
-1% to -9%	4,316	63.3%
-10% to -19%	1,457	21.4%
-20% or More	285	4.2%
<b>Total</b>	<b>6,820</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

## Net Tax Bill Changes - All Property Types

Starke County's net property taxes were spread among nonhomestead residential property owners (mainly small rentals and second homes), business owners (other real and personal property), homeowners, and agricultural property owners. Net tax bills for all taxpayers decreased 1.8% in Starke County in 2012. Net taxes were higher for agriculture and personal property and lower for all other categories of property.

### Comparison of Net Property Tax by Property Type (In Millions)



## Tax Rates, Levies, and Assessed Values

Property tax rates decreased in all Starke County tax districts in 2012. The average tax rate fell by 4.7%, because of a levy decrease and a net assessed value increase.

Levies in Starke County decreased by 2.2%. Knox Community School Corporation had large decreases in its bus replacement, debt service, and capital projects funds. The largest levy increase was in the county unit, which had increases in the general, 2015 reassessment, and cumulative bridge funds.

Starke County's total net assessed value increased 3.1% in 2012. Agricultural net assessments rose 10.5%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Business net assessed value also increased. Homestead and other residential assessments fell, which may have been a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$727,459,882	\$722,675,700	-0.7%	\$276,260,773	\$274,545,369	-0.6%
Other Residential	310,644,100	310,059,500	-0.2%	310,255,821	309,686,727	-0.2%
Ag Business/Land	190,188,700	210,536,000	10.7%	189,989,260	209,957,261	10.5%
Business Real/Personal	219,140,928	227,491,359	3.8%	186,422,490	198,454,168	6.5%
<b>Total</b>	<b>\$1,447,433,610</b>	<b>\$1,470,762,559</b>	<b>1.6%</b>	<b>\$962,928,344</b>	<b>\$992,643,525</b>	<b>3.1%</b>

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

## Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Starke County were \$392,313, or 2.3% of the levy. This was much less than the state average percentage of the levy of 9.2% and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Starke County's tax rates were lower than the state average and lower than the state median.

Most of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. The largest percentage losses were in the city of Knox and the town of North Judson, where district tax rates were well above \$2 per \$100 assessed value. The largest dollar losses were in the city of Knox and the Knox School Corporation.

Tax cap credits decreased in Starke County in 2012 by \$33,239, or 7.8%. The percentage of the levy lost to credits fell by 0.1% after rounding. There were no major changes in state policy to affect tax cap credits in 2012. Starke County credits decreased mainly because district tax rates decreased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$50,721	\$38,633	-\$12,087	-23.8%
2%	372,251	352,184	-20,067	-5.4%
3%	0	0	0	0.0%
<b>Elderly</b>	2,580	1,496	-1,084	-42.0%
<b>Total</b>	<b>\$425,552</b>	<b>\$392,313</b>	<b>-\$33,239</b>	<b>-7.8%</b>
<b>% of Levy</b>	<b>2.5%</b>	<b>2.3%</b>		<b>-0.1%</b>

### Starke County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<b>County Total</b>	<b>22,352,358</b>	<b>14,908,408</b>	<b>17,213,889</b>	<b>17,192,870</b>	<b>16,816,158</b>	<b>-33.3%</b>	<b>15.5%</b>	<b>-0.1%</b>	<b>-2.2%</b>
State Unit	26,761	0	0	0	0	-100.0%			
Starke County	4,153,738	3,353,619	3,601,565	3,754,551	3,873,536	-19.3%	7.4%	4.2%	3.2%
California Township	233,768	264,911	279,764	287,739	297,015	13.3%	5.6%	2.9%	3.2%
Center Township	63,426	34,671	53,889	35,652	67,986	-45.3%	55.4%	-33.8%	90.7%
Davis Township	46,445	51,174	50,868	56,599	30,533	10.2%	-0.6%	11.3%	-46.1%
Jackson Township	16,725	14,719	15,582	15,018	18,126	-12.0%	5.9%	-3.6%	20.7%
North Bend Township	61,831	70,367	71,771	71,462	70,368	13.8%	2.0%	-0.4%	-1.5%
Oregon Township	94,656	99,274	106,217	108,919	141,177	4.9%	7.0%	2.5%	29.6%
Railroad Township	84,736	90,563	98,852	100,059	104,217	6.9%	9.2%	1.2%	4.2%
Washington Township	71,822	106,462	153,371	116,264	107,179	48.2%	44.1%	-24.2%	-7.8%
Wayne Township	52,991	55,568	59,584	61,654	62,943	4.9%	7.2%	3.5%	2.1%
Knox Civil City	1,216,068	1,211,204	1,395,670	1,389,201	1,474,440	-0.4%	15.2%	-0.5%	6.1%
Hamlet Civil Town	171,997	159,894	192,064	196,659	201,217	-7.0%	20.1%	2.4%	2.3%
North Judson Civil Town	348,600	379,074	408,813	419,524	432,271	8.7%	7.8%	2.6%	3.0%
Culver Community School Corp	1,022,647	403,775	437,759	440,752	443,981	-60.5%	8.4%	0.7%	0.7%
Oregon-Davis School Corp	2,525,712	1,280,426	1,948,183	1,835,536	1,723,287	-49.3%	52.2%	-5.8%	-6.1%
North Judson-San Pierre School Corp	3,451,515	2,018,589	2,054,326	2,334,608	2,122,579	-41.5%	1.8%	13.6%	-9.1%
Knox Community School Corp	7,530,063	4,093,178	4,931,910	4,673,468	4,303,535	-45.6%	20.5%	-5.2%	-7.9%
North Judson Public Library	188,482	186,163	208,343	224,941	221,836	-1.2%	11.9%	8.0%	-1.4%
Starke County Public Library	786,425	810,093	910,798	824,542	874,515	3.0%	12.4%	-9.5%	6.1%
Starke County Airport Authority	203,950	224,684	234,560	245,722	245,417	10.2%	4.4%	4.8%	-0.1%
Starke County Solid Waste Mgmt Dist	0	0	0	0	0				

### Starke County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
75001	California Township-NJSP School	1.6847	--	--	4.7366%	--	--	--	1.6049
75002	California Township-Knox School	1.7126	--	--	4.2977%	--	--	--	1.6390
75003	Center Township	1.6005	--	--	5.0306%	--	--	--	1.5200
75004	Knox City (Center)	2.8555	--	--	2.8694%	--	--	--	2.7736
75007	Jackson Township	1.5899	--	--	5.1046%	--	--	--	1.5087
75008	North Bend Township	0.9791	--	--	8.2264%	--	--	--	0.8986
75009	Oregon Township	1.4653	--	--	5.9245%	--	--	--	1.3785
75011	Railroad Township	1.6832	--	--	4.5487%	--	--	--	1.6066
75012	Washington Township	1.6791	--	--	4.7616%	--	--	--	1.5991
75013	Wayne Township	1.6408	--	--	4.3788%	--	--	--	1.5690
75014	North Judson Town (Wayne)	2.7034	--	--	2.8354%	--	--	--	2.6267
75015	Davis Township	1.4423	--	--	6.1114%	--	--	--	1.3542
75016	Hamlet Town-Davis Twp	2.4615	--	--	3.4698%	--	--	--	2.3761
75017	Hamlet Town-Oregon Twp	2.4613	--	--	3.2234%	--	--	--	2.3820

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Starke County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	38,624	351,541	0	1,496	391,661	16,816,158	2.3%
<i>TIF Total</i>	10	643	0	0	652	95,482	0.7%
<i>County Total</i>	38,633	352,184	0	1,496	392,313	16,911,640	2.3%
Starke County	5,531	50,570	0	288	56,389	3,873,536	1.5%
California Township	0	0	0	0	0	297,015	0.0%
Center Township	65	601	0	8	675	67,986	1.0%
Davis Township	1	132	0	1	133	30,533	0.4%
Jackson Township	0	0	0	0	0	18,126	0.0%
North Bend Township	0	0	0	4	4	70,368	0.0%
Oregon Township	1	38	0	5	43	141,177	0.0%
Railroad Township	0	0	0	6	6	104,217	0.0%
Washington Township	0	0	0	9	9	107,179	0.0%
Wayne Township	118	903	0	8	1,029	62,943	1.6%
Knox Civil City	11,616	106,842	0	292	118,750	1,474,440	8.1%
Hamlet Civil Town	71	8,081	0	26	8,178	201,217	4.1%
North Judson Civil Town	5,384	41,045	0	76	46,506	432,271	10.8%
Culver Community School Corp	0	0	0	23	23	443,981	0.0%
Oregon-Davis School Corp	56	6,357	0	65	6,478	1,723,287	0.4%
North Judson-San Pierre School Corp	4,772	36,379	0	198	41,350	2,122,579	1.9%
Knox Community School Corp	8,866	81,548	0	382	90,796	4,303,535	2.1%
North Judson Public Library	866	6,602	0	29	7,497	221,836	3.4%
Starke County Public Library	926	9,240	0	57	10,223	874,515	1.2%
Starke County Airport Authority	350	3,204	0	18	3,573	245,417	1.5%
Starke County Solid Waste Mgmt Dist	0	0	0	0	0	0	
TIF - Knox City (Center)	10	643	0	0	652	93,620	0.7%
TIF - Sysco	0	0	0	0	0	1,862	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.